[Mr. S. Sundararajan.]

32. Next comes the Commercial Transport under which is anticipated a net revenue of Rs 1·25 lakhs. As the honourable members are aware, the Transport scheme has been in operation since 1113. Under normal conditions and in default of any extraordinary losses, the existing services are expected to yield a profit of nearly Rs $2\frac{3}{4}$ lakhs every year *i. e.*, a return of 25 per cent. But in the present conditions caused by the war and the consequent rise in the price of petrol and spare parts, the return which works up to 12 per cent. is far from unsatisfactory.

33. I turn next to the Kundara works. With a view to increasing the output of clay at Kundara an additional channel is proposed to be excavated and a gross revenue of Rs 2·30 lakhs on account of clay and Rs 0·75 of a lakh on account of Factory products including supplies to the Drainage department and a net income of Rs 1·40 lakhs is expected.

34. Under the commercial departments are also included the Anchal and Railways. A net receipt of Rs 89,600 under Anchal, Rs 5,000 less than the revised estimates for the current year but the same as the actuals of the previous year has accordingly been budgeted.

35. As regards State Railways the working of our Railway by the South Indian Railway Company has of late been resulting in losses. The loss last year was nearly Rs 40,000 and we have already been advised of a similar loss less by Rs 2,000 for the current year. But I am not budgeting for a loss for the next year.

36. In passing I may be permitted to say a word about the Drainage Scheme. It is expected that a part of the works at Trivandrum will be completed next year. The Trivandrum Municipality is expected to contribute Rs 75,000 for its maintenance and other charges. Taking this into account the net contribution of the Drainage scheme to the revenue account for the next year has been estimated at Rs 45,000.

37. *Defence Services.*— Under Army and other items of receipts there is nothing very much of importance to which I should specially invite the attention of the honourable members.

Revenue Expenditure.

38. Turning now to the expenditure side I may say provision has been made only for those items of fresh expenditure which are clearly of imperative necessity or which are likely to be immediately remunerative. The paramount necessity for exercising economy in expenditure has weighed with Government

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so much that the axe has been ruthlessly applied on all items of expenditure which could without impairing the efficiency of the services, be well cut down. The following instances may be cited:—

(*a*) All higher posts which though essential by themselves but the duties of which could without very seriously impairing the efficiency of the departments, be discharged by one officer have been combined by keeping one or other of the posts in abeyance for the time being. To mention but a few instances:— the posts of the Financial Secretary and the Accountant-General have been combined; the posts of the Public Service Commissioner, Secretary, Stores Purchase Committee and the Controller of Stationery and Printing have also been temporarily combined although it is contemplated to appoint a Public Service Commissioner shortly; the post of the Registrar of Co-operative Societies has been combined with that of the Land Revenue Commissioner and the post of the Director of Development has been kept in abeyance for the time being. The Technical Assistant in charge will carry on the department concentrating his attention only on such items as the manufacture of ply-wood, toys and bentwood besides continuing the Ascu treatment of timber.

(*b*) The expenditure budgeted on account of Travelling Allowance and contingencies has been examined with zealous care and very substantial cuts have been imposed. Over and above this it is also proposed to prescribe a datum line for the drawing of Travelling Allowance for each of the gazetted officers beyond which they would under no circumstances be allowed to go.

(*c*) New works excepting in so far as they are likely to offer employment to the unemployed labourers have been cut down.

President: Under extraordinary circumstances I have a duty to perform. His Highness the Maharaj Rana of Dholpur is expected here just now and I have to receive him. Somebody has to occupy the Chair in my absence and that can only be done by consent of the two Houses. I trust the hon'ble Houses will have no objection to my asking Mr. S. Chattanatha Karayalar, Deputy President of the Sri Mulam Assembly, to preside. Though he is technically not entitled to do so, I trust the House will have no objection to his presiding.

(*The Dewan-President vacated the Chair which was then occupied by Mr. S. Chattanatha Karayalar, Deputy President of the Assembly*).

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[Mr. S. Sundararajan.]

(*d*) With the same object in view the usual grant of Rs 2 lakhs to the University for its building programme is also proposed to be limited only to Rs 1 lakh for the time being.

(*e*) To effect a further saving, the balances of certain funds, including the Life Insurance and other reserves for which Government have to pay interest at the rate of 3½ per cent. are proposed to be invested in Banks or Government Paper, so that the State may be relieved of the interest charges which they would otherwise have to bear.

(*f*) Although not mainly for the purpose of effecting a cut in expenditure, the postponement of general elections to the Legislature also contributes its own share in the economy campaign instituted by Government.

It will be seen that each item small in itself nevertheless contributes to a saving of about Rs 4½ lakhs in the total expenditure, a figure which is by no means negligible.

39. With these preliminary remarks I shall now pass on to the details of the expenditure budget.

40. The expenditure budgeted amounts to Rs 271·73 lakhs for the next year while the revised estimate for the current year is only Rs 263·62 lakhs. Honourable members would however recall that I have included a provision of Rs 10 lakhs in the expenditure estimates for war purposes and if the figure is eliminated the expenditure is really Rs 1·89 lakhs less than that of the current year.

It includes provision for expenditure under Palace on the normal scale although full amount is rarely spent. It provides for the revival of the full complement of the Judges in the High Court (Rs ·10 of a lakh). It includes extra provision calculated to afford full scope for primary and secondary education (Rs 1·15 lakhs). It allows sufficient margin for the increase in cost of prices of stationery (Rs ·20 of a lakh). It also provides funds to carry on all works in the Public Works Department without break so as to give facilities for relieving unemployment. Provision is made for taking census next year (Rs ·75 of a lakh). Notwithstanding the excess arising on account of these factors the net decrease in the expenditure budgeted for the next year should be attributed mainly to the measures of retrenchment referred to by me just now.

NEW ITEMS OF EXPENDITURE.

41. It is now my duty to explain to the House what new features, what special provision for expenditure on new services I have included in the Budget. In doing so, I shall

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